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By: **Delegates Smigiel, Boteler, Cluster, Costa, Dwyer, Eckardt, Haddaway,  
Kach, Shank, Sossi, and Stocksdales**

Introduced and read first time: February 4, 2004

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Gain Recognized on Sale of Agricultural Land Preservation**  
3 **Easement**

4 FOR the purpose of providing a subtraction modification under the Maryland income  
5 tax for certain gain recognized on the sale or other disposition of an easement or  
6 other interest in agricultural land to the Maryland Agricultural Land  
7 Preservation Foundation; providing for the application of this Act; and generally  
8 relating to an income tax subtraction modification for certain gain recognized on  
9 the sale or other disposition of an easement or other interest in agricultural land  
10 to the Maryland Agricultural Land Preservation Foundation.

11 BY repealing and reenacting, without amendments,  
12 Article - Tax - General  
13 Section 10-207(a)  
14 Annotated Code of Maryland  
15 (1997 Replacement Volume and 2003 Supplement)

16 BY adding to  
17 Article - Tax - General  
18 Section 10-207(w)  
19 Annotated Code of Maryland  
20 (1997 Replacement Volume and 2003 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article - Tax - General**

24 10-207.

25 (a) To the extent included in federal adjusted gross income, the amounts under  
26 this section are subtracted from the federal adjusted gross income of a resident to  
27 determine Maryland adjusted gross income.

1 (W) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES  
2 THE AMOUNT OF ANY GAIN RECOGNIZED ON THE SALE OR OTHER DISPOSITION OF  
3 AN EASEMENT OR OTHER INTEREST IN AGRICULTURAL LAND TO THE MARYLAND  
4 AGRICULTURAL LAND PRESERVATION FOUNDATION.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 July 1, 2004, and shall be applicable to all taxable years beginning after December 31,  
7 2003.